

DECISION



**THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D.C. 20548**

A. Koh
T.A. - 100

FILE: **B-190039**

DATE: **JAN 26 1978**

MATTER OF: **Yellow Freight System, Inc.**

DIGEST:

Since GSA agrees that carrier did not have operating authority to transport shipment from origin to destination and that carrier had to interline shipment with connecting carrier, claim may be allowed, if otherwise correct.

Yellow Freight System, Inc. (Yellow Freight), in a letter dated August 30, 1977, requests the Comptroller General of the United States to review the General Services Administration's (GSA) action on its bill for transportation charges. See Section 201(j) of the General Accounting Office Act of 1974, 49 U.S.C. 66(b) (Supp. V, 1975). GSA, after auditing the bill, notified Yellow Freight of an overcharge of \$3,830.20 which in the absence of refund was collected by deduction. 49 U.S.C. 66(a). Under regulations implementing Section 201(j) of the Act, a deduction action constitutes a reviewable settlement action [4 C.F.R. 53.1 (b) (1) and 53.2 (1977)]; Yellow Freight's letter complies with the criteria for requests for review of that action. 4 C.F.R. 53.3 (1977).

Under Government Bill of Lading (GBL) No. K-2590914, dated February 7, 1973, Yellow Freight transported a shipment of containers from the Naval Air Station, Point Mugu, California, to North Boulder, Colorado. Yellow Freight picked up the shipment but interlined it with Boulder Denver Truck Line, the delivering carrier, who collected transportation charges of \$7,508.20 on March 25, 1973.

On January 3, 1977, GSA issued a notice of overcharge for \$3,830.20, based on the belief that Yellow Freight misrouted the shipment and could have transported it from origin to destination, thereby allowing application of Item 1720, Rocky Mountain Motor Tariff Bureau (RMM) Quotation 19-E. Yellow Freight refused to refund the claimed overcharge, stating that they did not have operating authority from Point Mugu, California, to North Boulder, Colorado. GSA then collected \$3,830.20 from monies otherwise due the carrier. 49 U.S.C. 66(a).

See

5-X90039

GIA has reconsidered its overcharge claim against Yellow Freight. By report dated December 22, 1977, GIA states that the initial transportation charges of \$7,300.20 were correct. GIA agrees with Yellow Freight that the carrier did not have operating authority to transport the shipment from Point Mugu, California, to North Boulder, Colorado. GIA then stated that it was necessary for Yellow Freight to interline the shipment with a connecting carrier, such as Boulder Denver Truck Line, for delivery.

We have reviewed the record and agree that GIA should allow Yellow Freight's claim for \$5,830.20, if otherwise correct.

R.F.KELLEY

Deputy, Comptroller General
of the United States